

Message Text

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ACTION EUR-12

INFO OCT-01 NEA-10 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
ICA-11 ACDA-12 TRSE-00 AID-05 EB-08 OMB-01 IO-13
/115 W

-----027348 181350Z /64

R 181309Z AUG 78
FM AMEMBASSY VALLETTA
TO SECSTATE WASHDC 8417
INFO AMEMBASSY ALGIERS
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TRIPOLI
USMISSION USNATO
USDOCOYOUTH NAPLES IT

C O N F I D E N T I A L SECTION 01 OF 02 VALLETTA 02673

E.O. 11652: GDS
TAGS: PEPR, MT, XG
SUBJECT: GOM SUSPENDS EUROPEAN DIALOGUE

REFS: A) VALLETTA 2534 (DTG 080904Z AUG 78 NOTAL)

- B) VALLETTA 2381 (DTG 280733Z JUL 78 NOTAL)
- C) VALLETTA 2360 (DTG 270848Z JUL 78 NOTAL)
- D) VALLETTA 1991 (DTG 301033Z JUN 78)

1. SUMMARY: THE GOM, IN A NOTE TO THE ITALIANS DATED
AUGUST 11, CLAIMED THAT THE DIALOGUE WITH THE EUROPEANS
WAS "BACK TO SQUARE ONE" AND THAT THEREFORE THE GOM "HAS
NO OTHER CHOICE" BUT TO IMPLEMENT ITS "ALTERNATIVE
SOLUTION" AS SOON AS POSSIBLE. THE GOI RESPONDED WITH A
NOTE ON AUGUST 16 SAYING THAT, IN ITS VIEW, TALKS WOULD
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STILL BE USEFUL BUT IN ANY CASE IT WISHED TO CONFIRM ITS
CONTINUED INTEREST IN CLOSE BILATERAL COOPERATION WITH
MALTA. ACCORDING TO ITALIAN AMBASSADOR DA-RIN, HIS
GOVERNMENT HAS NOW DECIDED TO ADOPT A "WAIT AND SEE"
ATTITUDE VIS A VIS THE DIALOGUE. HE PERSONALLY EXPECTS
THAT MINTOFF WILL EVENTUALLY RESUME HIS "BARGAINING",
OFFERING TO BRING HIS "UNBALANCED" (I.E. PRO ARAB) NEUTRALITY

CLOSER INTO "BALANCE", IN RETURN, OF COURSE, FOR SOME KIND OF ECONOMIC HELP. END SUMMARY.

2. ITALIAN AMBASSADOR DA-RIN BRIEFED CHARGE AUGUST 17 ON RECENT DEVELOPMENTS IN EUROPEAN DIALOGUE WITH MALTA. ON AUGUST 11 GOI RECEIVED A NOTE VERBALE FROM MALTESE EMBASSY IN ROME (GOM CONTINUES TO IGNORE DA-RIN AND ITALIAN EMBASSY HERE) SAYING THAT THE CABINET (MINTOFF WAS ON VACATION AT THAT TIME) HAD INSTRUCTED THE MCFA TO INFORM GOI THAT, IN SPITE OF THE GOM'S REQUEST IN ITS NOTE OF JULY 29 (ALSO DELIVERED IN ROME) ASKING THE ITALIANS "TO EXPLAIN HOW IT IS POSSIBLE TO REACH A PRACTICAL SOLUTION NOW THAT THE AGREED (SIC) TIME LIMIT HAS ELAPSED", THERE WAS NOTHING NEW IN THE ITALIAN NOTE OF JULY 31. THE NOTE CONTINUED THAT THE MALTESE GOVERNMENT DID NOT AGREE WITH THE ITALIAN PROPOSAL TO CALL A MEETING OF EXPERTS TO "CROSS EXAMINE" THE GOM REGARDING "ECONOMIC AND FINANCIAL PROPS" NEEDED TO HELP MALTA CARRY OUT ITS NEUTRALITY POLICY. THE GOM OBJECTED TO THIS APPROACH BECAUSE IT WAS NOT WILLING TO GO BACK TO THE "OLD COLONIAL DAYS OF UNDIGNIFIED AND HUMILIATING KNEELING" BEFORE COLONIAL POWERS. MOREOVER, BASED ON THE LENGTH OF TIME IT HAD TAKEN TO NEGOTIATE THE LANGUAGE GUARANTEEING MALTA'S NEUTRALITY, IT WOULD TAKE SEVERAL YEARS TO REACH AN AGREEMENT ON ECONOMIC ASSISTANCE. THEREFORE IT APPEARED THAT THE DIALOGUE WAS "BACK TO SQUARE ONE".
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3. THE MALTESE NOTE THEN INDICATED THE GOM'S APPRECIATION OF FOREIGN MINISTER FORLANI'S JULY 20 STATEMENT WHICH WAS "KIND AND EVEN ENCOURAGING" BUT NOT FORTHCOMING ENOUGH TO "SALVAGE THE SHIPWRECKED NEGOTIATIONS" OF THE EURO-ARAB DIALOGUE. (ACCORDING TO DA-RIN, FORLANI'S STATEMENT IN THE SENATE BOILED DOWN TO AN EXPRESSION OF HOPE THAT THE DIALOGUE WOULD CONTINUE BUT THAT IF IT FAILED THE GOI WOULD NEVERTHELESS WANT TO CONTINUE CORDIAL BILATERAL RELATIONS WITH MALTA.) THE NOTE CONCLUDED BY STATING THAT "IN THE CIRCUMSTANCES" THE GOM "HAS NO OTHER CHOICE" BUT TO IMPLEMENT "AS SOON AS POSSIBLE" THE "ALTERNATIVE SOLUTION" THAT WAS APPROVED BY THE MALTESE PEOPLE IN THE 1976 ELECTION.

4. ON AUGUST 16 THE ITALIAN EMBASSY HERE SENT A NOTE VERBALE TO THE MCFA STATING THAT THE GOI DISAGREED WITH THE MALTESE ASSESSMENT THAT JOINT TALKS ON MALTA'S ECONOMIC REQUIREMENTS WOULD BE UNDIGNIFIED OR EXCESSIVELY TIME CONSUMING. THE NOTE REITERATED THE GOI'S CONVICTION THAT "IT WOULD BE USEFUL TO START IN THE NEAR FUTURE" DISCUSSIONS INVOLVING THE GERMANS, ITALIANS AND MALTESE SO THAT

"OPERATIONAL DECISIONS" COULD BE TAKEN ON THE MOST APPROPRIATE WAYS AND MEANS OF ASSISTING MALTA ECONOMICALLY. THESE TALKS COULD BE FOLLOWED BY FURTHER DISCUSSIONS AT A LATER DATE WHICH COULD INCLUDE THE ALGERIANS AND LIBYANS.

5. REGARDING BILATERAL RELATIONS, THE NOTE EXPRESSED THE GOI'S PLEASURE WITH THE GOM'S EXPRESSION OF APPRECIATION FOR FOREIGN MINISTER FORLANI'S JULY 20 STATEMENT. THE NOTE RECALLED THE "COLLABORATION" (I.E. TECHNICAL ASSISTANCE) THE GOI HAS BEEN AND IS GIVING TO THE GOM AND WISHED TO CONFIRM ITS "PERMANENT AVAILABILITY" FOR CLOSE

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COOPERATION WHICH WOULD HELP MAINTAIN THE "CONSTRUCTIVE FRIENDSHIP" EXISTING BETWEEN THE TWO COUNTRIES.

6. DA-RIN EXPLAINED THAT HIS GOVERNMENT HAD TWO OBJECTIVES IN MIND IN SENDING THIS NOTE. FIRST THE GOI WISHED TO KEEP THE DOOR OPEN TO A CONTINUATION OF THE DIALOGUE BUT AT THE SAME TIME IT ALSO WANTED TO MAKE CLEAR TO THE MALTESE THAT THEY COULD NOT EXPECT ANYTHING BEYOND CURRENT LEVELS OF ECONOMIC ASSISTANCE (EXCLUDING THE

ITALIAN CONTRIBUTION TO THE BASE RENTAL PAYMENTS) FROM THE GOI IF THE DIALOGUE IN FACT COLLAPSES. ALTHOUGH THE NOTE DID NOT EXPLICITLY MAKE THE LATTER POINT DA-RIN SAID IT WAS IMPLICIT IN IT WHEN THE NOTE WAS READ IN THE CONTEXT OF THE PREVIOUS EXCHANGES BETWEEN THE TWO GOVERNMENTS. DA-RIN EMPHASIZED THAT IN THE ABSENCE OF SOME KIND OF CONFIDENTIAL

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MULTILATERAL FRAMEWORK GUARANTEEING MALTESE NEUTRALITY AND INVOLVING FINANCIAL CONTRIBUTIONS BY OTHER EUROPEAN COUNTRIES IT WOULD BE POLITICALLY IMPOSSIBLE FOR THE GOI TO EXTEND ADDITIONAL ECONOMIC AID TO MALTA TO SAY NOTHING OF COMING UP WITH AN AMOUNT EQUAL TO THE ITALIAN BASE RENTAL PAYMENT CONTRIBUTION.

7. THE GOI'S SECOND OBJECTIVE, SAID DA-RIN, WAS TO PUT ITSELF IN A POSITION TO DEMONSTRATE TO ITS DOMESTIC OPPOSITION (I.E. THE SOCIALISTS AND COMMUNISTS) THAT HIS GOVERNMENT HAD DONE ALL IT COULD TO REACH AN AGREEMENT WITH MINTOFF. DA-MUIN NOTED THAT MINTOFF HAD BEEN IN TOUCH FROM TIME TO TIME WITH VARIOUS LEADERS OF BOTH OF THESE PARTIES REGARDING HIS EXPECTATIONS OF HELP FROM ITALY.

8. ALTHOUGH THESE DEVELOPMENTS HAVE FURTHER DISCOURAGED DA-RIN ON EUROPEAN-MALTESE RELATIONS, HE BELIEVES THAT THE GAME IS NOT OVER YET AND THAT MINTOFF WILL AGAIN TRY TO BARGAIN WITH THE WEST, THIS TIME OFFERING TO BRING HIS "UNBALANCED" (I.E. PRO ARAB) NEUTRALITY CLOSER INTO "BALANCE" IN RETURN FOR FINANCIAL ASSISTANCE, SOMEHOW CALLIBRATING THE DEGREE OF "BALANCE" WITH THE AMOUNT OF ASSISTANCE OFFERED. AS FOR THE GOI'S POSITION, HE SAID THAT ROME HAS DECIDED TO ADOPT A "WAIT AND SEE" ATTITUDE.

9. DA-RIN TENDS TO DOUBT THAT THE GOM HAS MUCH IN THE WAY OF AN AGREEMENT WITH THE LIBYANS DESPITE MINTOFF'S OFT-REPEATED CLAIM OF AN ARAB OPTION AND SEES THE GOM'S DESIRE (ACCORDING TO ITS NOTE) TO BEGIN TALKS WITH THE LIBYANS "AS SOON AS POSSIBLE" AS EVIDENCE OF THIS.

10. WE UNDERSTAND THAT THE FRENCH RECEIVED A SIMILAR NOTE FROM THE MALTESE BUT HAVE NOT YET RESPONDED. THE CONFIDENTIAL

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ITALIANS DID NOT CONSULT THE FRENCH REGARDING THEIR RESPONSE.

11. FINALLY, THE GERMAN AMBASSADOR TELLS US THAT HE STILL
DOESN'T HAVE SCHMIDT'S REPLY TO MINTOFF'S LETTER BUT
EXPECTS IT SOMETIME NEXT WEEK - MAYBE. WILSON

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Message Attributes

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